



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Mitt Romney, Governor ♦ Kerry Healey, Lt. Governor ♦ Jane Wallis Gumble, Director

RELOCATION ASSISTANCE ADVISORY BULLETIN

SUBJECT: Move Planning Services
DATE: Effective July 1, 1998
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1. Background

The revised Massachusetts Relocation Assistance Regulations, 760 CMR 27.00, refer to the federal regulations, 49 CFR 24.00, on matters pertaining to relocation expenses deemed eligible for reimbursement to displaced business owners by displacing agencies. The purpose of this bulletin is to provide guidance with respect to the benefit outlined in 49 CFR 24.303(a)(8) which entitles displaced businesses to be paid for reasonable expenses for professional services. This is effective for any project or activity covered by Massachusetts General Laws, Chapter 79A.

2. General

49 CFR 24.303(a)(8) states the following:

Any business ... which qualifies as a displaced person is entitled to payment for such actual moving and related expenses, as the Agency determines to be reasonable and necessary, including expenses for: "Professional services necessary for (i) Planning the move of personal property; (ii) Moving the personal property, and; (3) Installing the relocated personal property at the replacement location."

3. Situations Where Move Planning Services are Necessary

A displaced business may claim expenses incurred to plan their move only in cases where the displacing agency makes a determination that the total move cost exceeds \$100,000. For the purposes of this bulletin, "move cost" means the total estimated cost to disconnect, move and reconnect personal property, exclusive of any and all other benefits provided to displaced businesses in 49 CFR 24303(a) and 49 CFR 24.304.

4. Eligible Planning Services

The following is a listing of services considered as move planning services eligible for reimbursement as a relocation expense:

- a. Design services, as so defined by Massachusetts General Laws, Chapter 7, Section 38A1/2(b), if such design services relate specifically to the interior space planning necessary for the disconnection, dismantling, move, reassembling and reconnection of moved or substituted personal property. Such services may not include design services for work the displacing agency determines will enhance the value of the replacement location for general purposes or increase the structural capacity of the replacement location beyond that which is necessary for the installation of moved or substituted personal property.
- b. Legal services that are determined by the displacing agency to be necessary in order for the displaced business to move to a replacement location. Such legal services, however, exclude expenses relative to the purchase, lease and/or rehabilitation of real estate, representing the displaced business before the displacing agency and preparation of relocation claims or documentation necessary to support a relocation claim.
- c. Services not customarily provided by commercial movers to prepare for the move. In such cases, services must be billed to the displaced business by a bona fide commercial mover on the commercial mover's bills of lading. The service may be provided only by the commercial mover who actually performs the move for the displaced business. Services that are customarily provided to displaced businesses by commercial movers are considered ineligible for reimbursement as move planning expenses, as set forth in paragraph 5 (a) of this bulletin.

5. Ineligible Move Planning Services

The following is a partial listing of services considered ineligible for consideration as a move planning expense:

- a. Services customarily provided by commercial movers to prepare for the move, such as tagging property to be moved, dissemination of move planning kits for employees and monitoring the move.
- b. Review of classification of property as real property or personal property.
- c. Preparation of personal property inventory.
- d. Solicitation or review of bids or estimates for work related to the move.
- e. Preparation of documentation necessary for submission of a relocation claim, including those described in 49 CFR 24.303(a)(11) and (12).
- f. Expenses associated with the pre-qualification of contractors.
- g. Management or oversight of contractual work.
- h. Preparation of personal property appraisals.
- i. Managing the disposal of abandoned personal property.

- j. Administrative costs of submitting insurance claims associated with the move.
- k. Other expenses determined to be unreasonable or unnecessary by the displacing agency or the Bureau of Relocation.

6. Limitations and Process

- a. Move planning expenses claimed by a displaced business must be included on the appropriate relocation claim form.
- b. Move planning expenses may not be included as part of a "negotiated self-move".
- c. Move planning expenses may be paid only upon submission of a signed invoice from the provider of planning expenses and copies of canceled checks paid by the displaced business to the move planning service provider.
- d. Advance payments may not be paid for move planning expenses other than design services covered in paragraph 4(a) of this bulletin.
- e. At its discretion, the displacing agency may seek to determine if the move planning expense claimed is reasonable. In order to do this, the displacing agency may request an impartial and qualified professional to review the amount claimed. If, upon review, the agency determines that the expenses claimed are not reasonable, then the agency may approve payment only for the amount it deems to be reasonable.
- f. It is not necessary for the displaced business to solicit bids for move planning services, however the displaced business must use generally accepted business practice in selecting firms or individuals it uses to provide move planning services. The displacing agency may deny payment for move planning services if it determines such services were procured in an inappropriate or questionable manner.

All move planning expenses must be approved by the Bureau of Relocation before any payment for planning expenses is made by the displacing agency. In seeking this approval, the displacing agency must include copies of documentation to support the expenses claimed, a clear description of services rendered, and the amount recommended for payment by the displacing agency.